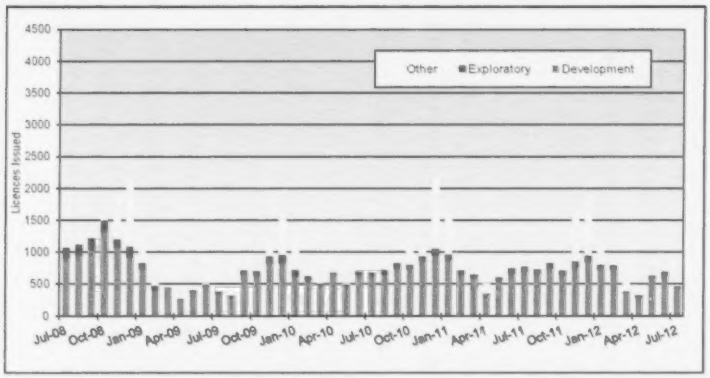
August 2012 Industry Activity Report

Monthly Well Licences



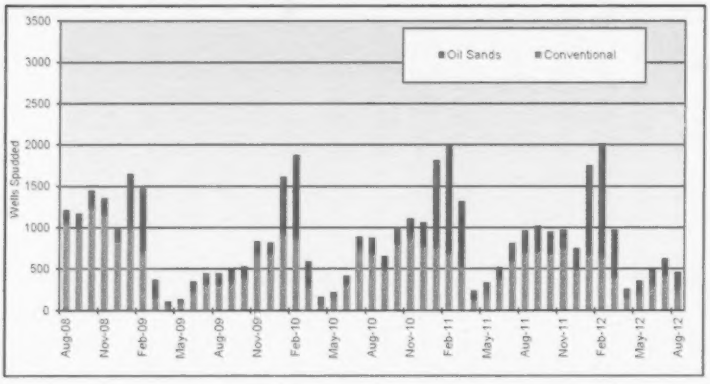
The Alberta Energy Resources Conservation Board issued 478 licences in July down 41% from July 2011.

New licence approvals for the first seven months of 2012 are 20% lower than the first seven months of 2011.

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	733	727	359	287	593	635	431						3765
Exploration	77	77	36	26	27	52	44						339
NPW	41	32	15	8	12	16	18						142
NFW	1	1	1			2							5
DPT	12	14	8	14	5	21	10						84
Outpost	23	30	12	4	10	13	16						108
Exper. & Eval. Licences	400	78	119				3						600
Total	1210	882	514	313	620	687	478						4704

Source: Energy Resources Conservation Board

Alberta Wells Spudded



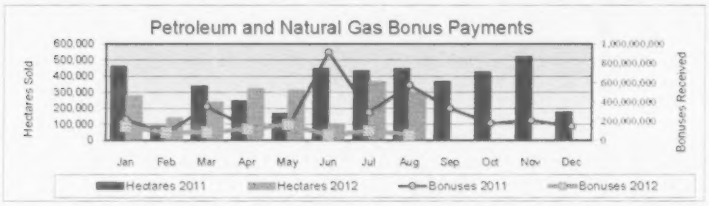
Operators spudded 464 wells in August, down 52% from August 2011 when there were 964 spuds listed.

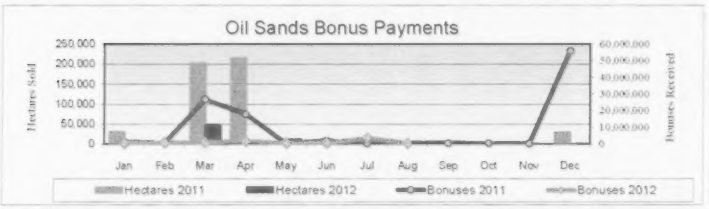
Over the first eight months, there were 13% fewer spuds than in 2011.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Conventional	1390	1422	563	91	181	682	1106	1040	985	1230	1144	829	10,663
	Oil Sands	1373	1867	809	69	44	168	190	174	185	219	213	176	5,487
2009	Conventional	1010	719	150	40	83	231	310	307	348	370	664	674	4,906
	Oil Sands	641	756	218	69	52	117	134	137	146	161	171	146	2,748
2010	Conventional	908	855	271	66	143	318	715	675	490	795	880	755	6,871
	Oil Sands	706	1023	321	97	73	103	176	203	161	210	232	310	3,615
2011	Conventional	742	682	529	123	183	365	594	697	706	684	734	487	6,526
	Oil Sands	1070	1319	789	118	151	160	218	267	312	269	237	265	5,175
2012	Conventional	669	629	382	145	173	282	413	248					2,941
	Oil Sands	1082	1384	591	116	183	206	212	216					3,990

Source: Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales





Crown land sales earned $59.4 million in August, with an average price of $195.32 per hectare.

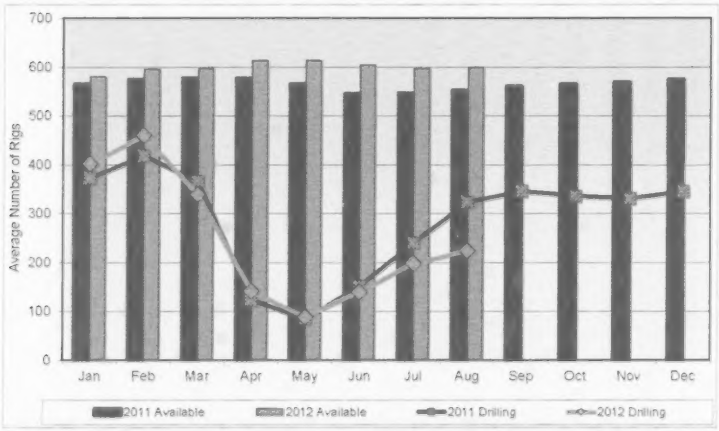
Thus far in 2012, average crown land prices were $377.58 per hectare, down from 2011 when the average crown price was $882.12 per hectare. Total revenue for the January-August period was $807 million, down 70% from last year's eight-month total of $2.7 billion.

Petroleum and Natural Gas Rights	Aug-12	Aug-11	YTD 2012	YTD 2011
Bonuses	$58,936,889.00	$571,997,637.78	$798,511,253.37	$2,678,809,177.77
Hectares	303308.33	447329.38	2062529.04	2625016.13
Average Price per Hectare (Cdn$)	$194.31	$1,278.69	$387.15	$1,020.49

Oil Sands Rights	Aug-12	Aug-11	YTD 2012	YTD 2011
Bonuses	$454,255.44	$360,614.40	$8,444,793.92	$48,506,252.71
Hectares	768.00	1792.00	74674.84	466763.45
Average Price per Hectare (Cdn$)	$591.48	$201.24	$113.09	$103.92

Source: Alberta Department Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2011 Available
2012 Available
2011 Drilling
2012 Drilling

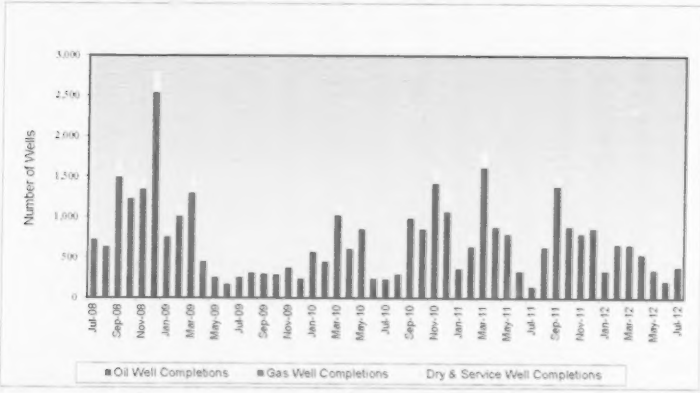
In August, Alberta oil and gas fields kept an average of 37% of the province's 599 available rigs at work, compared to 58% of the 552 available rigs working in August 2011.

The average number of rigs available for work during the January-August period was 564 (51% utilization), compared to 562 rigs for this period in 2011 (46% utilization).

August	Drilling	Down	Available	Rig Util. Aug-12	Rig Util. Aug-11
Alberta	223	376	599	37%	58%
Saskatchewan	71	68	139	51%	69%
British Columbia	31	21	52	60%	62%
Northwest Territories					
Manitoba	15	10	25	60%	89%
Canada	340	474	814	42%	61%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Reported well completions in August decreased to 541, down 26% from the 728 completions reported in August 2011.

Included in the eight month total of 4,257 well completions were 2,854 oil completions (down 5% from last year), and 817 gas well completions (down 66% from last year).

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380					2,854
	Gas Wells	131	181	146	141	62	12	46	98					817
	Dry & Service	35	48	55	126	128	37	94	63					586

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com